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SUPPLEMENT TO
REPORT NO.

THIS IS UNEVALUATED INFORMATION

SOURCE Newspapers as indicated.

AEK TIGHTENS CONTROL OF HUNGARIAN INDUSTRY

Comment: The extension of the powers of the AEK (Allami Ellen-
orzo Kozpont, State Control Center) [redacted] appears to have
been followed by stricter exercise of industrial control. General
criticism has been replaced by accusations leveled against specific
units or individuals. The offenders' names appear in the daily press,
often with notification of action brought against them.

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The following articles represent a selection of typical cases.⁷

Denunciations Made in Volume

Since the Parliament passed a law redefining and extending the power of AEK last May, many thousands of reports have come to the AEK's Office of Reports of Public Interest. They show that state control has the enthusiastic, voluntary support of thousands of workers who are ready to speak up when they find things amiss.

The law protects the originators of the reports by imposing severe punishment on anyone who discriminates against them.(1)

Engineers Found Responsible for Losses

Investigations conducted by the AEK at the Diosgyori Papirgyar (Diosgyor Paper Mills) disclosed that losses and waste were not being ascribed to their actual source. Chief Engineer Hugo Pfaff had provided inadequate supervision for machinery, and Shop Engineer Edgar Bartoti had let the machinery fall into disrepair.

In reporting its findings to the Ministry of Light Industry, the AEK called for correction of the faults and demanded that the engineers be held accountable. (2)

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Find Food Inedible

The AEK has verified reports that the Diakelmezesi Vallalat (Students Food Distributing Enterprise) frequently serves inedible meals. Mrs Bela Kruz-lak, the director, is at fault.

The Ministry of Interior Commerce has been advised to take appropriate action.(3)

Pads Expense Accounts

It was reported to the AEK that expense accounts were being padded at the Kiskunfelegyhazai Gepgyar (Kiskunfelegyhaza Machine Factory). The bills were submitted in pencil and the entries were falsified. Jeno Palasti, the head bookkeeper, consistently failed to repay the excess cash he drew for traveling expenses.

The AEK referred the case to the Ministry of Machine Production and it appointed the Machine Production Center to investigate. When the report was verified, the bookkeeper was first suspended and subsequently discharged. He will forfeit the salary withheld during his suspension and repay the funds which he had drawn illegally.(4)

Charge Waste of Machinery

AEK investigation has confirmed reports that the Zsirforgalmi Vallalat (Lard Trading Enterprise) is not loading its trucks to capacity. Steps have been taken to correct this abuse. The individuals responsible have been reprimanded.(5)

Embezzler Apprehended

Mrs Ferenc Steindorf, manager of the mess hall at the Pamutkikeszitogyar (Cotton Finishing Mills), has been found guilty of embezzling supplies. Due to a shortage of personnel, Mrs Steindorf was in charge of buying, receiving, storing, and bookkeeping, which gave her the chance to misuse her authority.

At the request of the AEK, to which the matter had been reported, the Ministry of Light Industry investigated and confirmed the charges. The case has been taken to court.(6)

Waste Material

The AEK has determined that Director Sandor Thali, Chief Engineer Janos Daut, and Foreman Gabor Damiko of the Csepeli Papirgyar (Csepel Paper Mill) are responsible for waste of material and spoilage.(7)

SOURCES

1. Esti Budapest, 9 Jul 52
2. Magyar Nemzet, 18 Jul 52
3. Magyar Nemzet, 25 Jul 52
4. Nepszava, 24 Jul 52
5. Magyar Nemzet, 26 Jul 52
6. Nepszava, 27 Jul 52
7. Magyar Nemzet, 29 Jul 52

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